10: Schumacher--222-223 T-1 (ca. 1896) 1898 Formosans-1-2
116, 241, 311, 727

In the north of Formosa are cultivated a variety of products. The region from Kelung to Tamsui is the section that has most definitely been under the influence of Europeans because it is close to the port of Tamsui and the main settlement of the Europeans in Tuatutia. Here in the north all available land is utilized. The industrious people have even turned slopes into productive agricultural land. Yet only rice is cultivated on a large scale although there are indications that at one time in the past other less common products must have been grown. During war time [MC: 1895?] the sugar-cane fields were furrowed and ruined and the tea plantations were neglected. The land as far as Gosche is mainly used for fields of indigo and sweet potatoes; batatas and rice are rare. The region as far as Tschanghua, on the other hand, [223] is claimed almost exclusively by rice culture. It has escaped the destructive instinct of the Japanese because the Japanese troops wear straw sandals on their marches and would have dirtied their feet with mud and walked them sore on the irrigated rice fields; this would have been a definite impediment although it would not actually have been a danger. Economically the most valuable and the most beautiful part of Formosa extends from Tschang-hua to about 20 kilometers beyond Kia-y. The palm groves are rather clear in some sections and here one finds many remnants of protective shelters against the tropical sun where formerly the most precious products were cultivated. Here and there palm groves are lacking. It seems that for the last ten years the Chinese in these districts have confined themselves to a cultivation of rice or sugar-cane, because they required less capital and less

10: Schumacher--222-223 T-1 (ca. 1896) 1898 Formosans-2
116, 241, 311, 727

labor. In view of the political uncertainty and the greed of the mandarins it did not seem advisable to invest large sums for the cultivation of plants of the optimum state.

rather than in its doctrine, or in its organization, or even in the social basis of its membership, that one can discover a key to the understanding of the Kuomintang."

At the outbreak of war with Japan, the Kuomintang and the Communist Party composed their differences, resulting in a truce. A People's Political Council was established. Leaders of the Communist Party as well as several smaller parties which had pledged their support to the national war effort were chosen to direct a united front against Japanese aggression. However, the political honeymoon did not last very long. As soon as the United States entered the war and ultimate defeat of Japan was assured, hostilities again broke out between the Kuomintang and Communist forces. Minority parties then clamored for the relinquishment of the one-party rule by the Kuomintang. Mediation by the United States, the convocation of the National Assembly, and the adoption of a new Constitution which placed all political parties on a footing of equality, failed to prevent the outbreak of civil war. In the subsequent political and military clashes, the weakness of the Kuomintang became more and more obvious. The party was almost on the verge of total collapse. President Chiang, in introducing a reform program for the Kuomintang in 1950, admitted[11] that the disastrous military

11. Addressing the Central Executive Committee of the Kuomintang in July 1950. China Handbook 1952-53, Taipei, China Publish-

(continued next page)

665 reverses on the Mainland was not due to the
127 overwhelming strength of the Communists,
which would be not strong enough to defeat the Nationalist forces, but due to the Nationalist Party's organizational weaknesses, loose discipline, and low morale.

665 In his capacity as Director General of the Kuomintang, Chiang proposed to reform thoroughly the Party by "getting rid of all factional and personal differences." A Central Reform Committee of 16 members was appointed in August 1950 to overhaul the party machinery on Formosa and the party branches in various overseas Chinese communities. At the same time the Kuomintang announced that it would respect the position of and co-operate with all democratic political parties that were anti-Communist in nature in order to struggle together for the salvation of the country and the defense of democracy. The reorganizational work of the Reform Committee was concluded in October 1952. A National Congress[12] of the Kuomintang was held on October 10, 1952. It adopted a political platform for the guidance of the government and formed a Central Advisory Committee with 48 members, and a Central

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11. (continued) -ing Co., 1954, p. 341.
12. The Seventh National Congress.

Economic dependency on Japan was accentuated by the employment of only Japanese in both technical and managerial positions. From the beginning of the Japanese control, trade was confined almost exclusively to territories within the Japanese empire and managed for the most part by Japanese personnel. Japan took between 90 and 95 per cent of Formosa's exports and supplied 85 to 90 per cent of the island's imports. Some sugar and coal were shipped to China, and small quantities of tea and camphor were sent to the United States. Banking and currency were linked to the Japanese system, and all capital investment was controlled by the Japanese.[5] "Every year, for at least fifteen years previous to the war, Japan is believed to have gained directly 150 million yen from her investments in Taiwan, for the fifteen years before that lesser but still significant sums".[6]

Some of the Japanese industrial projects were never completed. Others were destroyed

5. By 1939, 90% of all the capital invested in the island was held either by the Japanese government or Japanese nationals; the remaining 10% held by Formosans was mostly invested in small shops. Taiwan, A Geographical Appreciation, Ottawa, Department of Mines and Technical Surveys, Government of Canaca, 1952, p. 16.

6. Ginsburg, op. cit., p. 25.

or severely damaged by Allied bombing during World War II. Further depreciation and deterioration of Japanese installations were caused during and immediately after the war by typhoons and floods coupled with lack of maintenance and repair. Even the railway system, the principal means of freight and passenger transportation, was capable of handling only a fraction of the freight and passenger demand. "Rails were worn thin, one-third of the cross ties were rotten, rolling stock was seriously depleted or in need of complete overhaul."[7] The war and the repatriation of Japanese nationals afterward also caused disruption of rural services in credit collection, processing, and marketing of farm produce. Due to a scarcity of imported fertilizers, production of the two principal cash crops, sugar and rice, dwindled considerably. The production of rice fell from 1,100,000 metric tons in 1943 to 600,000 metric tons in 1945 and sugar production dropped from 1,022,000 metric tons in 1942-43

7. "Economic Progress on Formosa" Chinese-American Economic Co-operation, pub. by Mutual Security Agency Mission to China, Taipei, Vol. 1, No. 2., Feb. 1952, p. 12.

727 to 86,000 metric tons in 1945-46. The
433 Formosan farmer was faced with the "worst prospect in living memory," as one observer remarked.[8]

434 In spite of the seriousness of economic
178 conditions on Formosa, the Chinese government was able to make only limited progress in reconstruction following the restoration of the island to Chinese control. For one thing, the Nationalist Government was involved in a costly war with the Communists and faced with a huge rehabilitation program on the Mainland. Furthermore, without a surplus of exportable goods, China could not obtain the foreign exchange necessary to re-equip the damaged plants and restore agricultural production on Formosa. The island's economy continued to deteriorate until 1949, when Mainland China was overrun by the Communists and the National Government was withdrawn to Formosa.

458 The sudden influx of over one million
185 mainlanders and half a million soldiers further strained the resources of the island. Inflation was running wild and food was short. However, the removal of the national government to Formosa was not without benefit to the island.

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8. H. Maclear Bates, Report from Formosa, New York, Dutton, 1952, p. 117.

178 kilowatt-hours in 1936 to 1,195 million kilowatt-hours in 1943. Aluminum factories were built at Kaohsiung and Hualien, the combined production of which was 12,000 metric tons in 1942, one-eighth of the total production of the Japanese empire.[2] An oil refinery was constructed in Kaohsiung in 1942 for the use of the Japanese Navy. The largest single investor was the Government-General. "By 1939, 90 per cent of all the capital invested was held by the government and government-backed Japanese; the remaining 10 per cent, held by Formosans, was mostly invested in small shops."[3] Sugar accounted for 54.5 per cent of all exports[4] from Formosa in 1937. Taiwan Seito was the largest of the four sugar companies, and the Japanese imperial family was its principal shareholder.

178 Most of the machinery of the new industrial
• 229 plants were either made in Japan or had been used in Japan for a number of years. During the war, industrial production was at the breaking point. Machinery and equipment which had become obsolete were not replaced and

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2. Ibid., p. 123.

3. Taiwan: A Geographical Appreciation, published by the Department of Mines and Technical Surveys, Canadian Government, Ottawa, Canda, 1952, p. 16.

4. E.B. Schumpter, The Industrialization of Japan and Manchukuo 1930-40, New York, Macmillan Co., 1940, p. 295.

were rapidly worn out. After 1943, Allied aerial attacks dealt them a further crippling blow.

At the time of Japan's surrender it was found that thirty-four of the forty-two sugar mills in Formosa had been reduced to ruins by American bombing. The oil refinery at Kaohsiung suffered 800 bomb hits. The generating capacity of the Western Power System at Sun-Moon Lake was reduced from 308,000 kilowatts to 32,000 kilowatts. The mills of the Taiwan Pulp and Paper Corporation were damaged -- 50 per ent of the buildings and 30 per cent of the machinery -- by Allied aerial bombings.[5]

On August 14, 1945, Japan surrendered to the Allies, and Formosa was restored to China. The Chinese government took over all the industrial enterprises previously owned by Japanese nationals. Some of these, including printing houses, match and food

5. Industrial Enterprises of National Resources Commission in Taiwan -- General Information, National Resources Commission, Taipei, 1951.

433 resources would have to be supplemented by the integration of Taiwanese and
241 Koreans into the industrial nexus of Empire.
439

THE CONTEMPORARY PROSPECTS

178 Today the plans of the Japanese for the further development of Taiwan
● 727 are somewhat irrelevant. The Chinese administration has penetrated every aspect of political, social and economic life. Initially the transfer of sovereignty resulted in sharp retrogressions. The great war industries were destroyed. The Japanese army departed, but Chinese soldiers from the Mainland now use the island for training to repel an invasion expected from the Mainland. The land is cultivated but the agricultural supervisors have been repatriated to Japan. In October, 1948, when we were in Taiwan, there were markets for surpluses that would yield funds to purchase the fertilizers essential to the maintenance of production. Disease and premature mortality were reported to be increasing. All this was descriptive, for statistics were a casualty of the liberation. Bureaucrats and university professors had been moved back to Japan and Japanese policy had produced totally inadequate numbers of Taiwanese to take their places.

177 The political travesty of the Chinese liberation of the Chinese popu-
198 lation of Taiwan needs no recapitulation. It placed almost insuperable obstacles before even the most reasonable programs and the most capable administrators. Furthermore the Taiwanese were now a peculiar Chinese-Japanese cross-product and the cultural heritage of the half century of occupation complicates all aspects of Chinese-Taiwanese adaptations. The Taiwanese spoke Hakka or Fukienese, neither comprehensible to the other; the Mainland Chinese spoke Mandarin, which was incomprehensible to the Taiwanese who spoke either Hakka or Fukienese. So Japanese became the lingua franca between Chinese groups.

Had Taiwan been reintegrated into a functioning Republican China it seems probable that inundation from the Mainland would have reduced the Taiwanese to Chinese levels of living and absorbed their particular population problem into one of the greatest of all population problems, the demographic prospects of a modernizing and industrializing China. Today the future of the Taiwanese people is unpredictable. They are again pawns in a struggle for control of the East.

1:Gallin E-4,5 (1957-1958) 1966
AD5 Taiwan Hokkien AD5
Taiwan AD6
Formosa AD1 •

F 175 648 F 175 648 733 729 161 423 464 [178] [462] Tn 175 423 [648] [241] [434] Tn [161] Tn 197

ists brought a change in regime to Taiwan. This is known as the "Restoration." At the outset the Taiwanese people welcomed the change, feeling that the coming of the Chinese represented a reunion with their own "race." With the advent of peace, there was a general return of men to the land. Only one Hsin Hsing villager had been killed in the war in Southeast Asia. The other villagers from Hsin Hsing who had surrendered or been taken as prisoners while working in Japanese labor groups were returned to Taiwan in ships. The return of these men to the land was followed by a general population increase, and in the Hsin Hsing area this quickly aggravated the problem of land scarcity; tenancy became a greater problem than ever before. Families could neither buy nor rent enough land to support themselves adequately, and, in addition, the war period had brought about a significant alteration in local patterns of division of labor. In the absence of the men the women had assumed new roles and responsibilities and had begun to take an active part in the operation of the land. This change was so well established that from about 1948 on it became possible for the men to work elsewhere for periods of varying length to supplement the family's farm income. This was the beginning of a new and ever-increasing trend of mobility to Taipei, a trend not confined to the Hsin Hsing area, although it may have begun there earlier than in most other parts of Taiwan. Some men hired out as farm laborers or worked as itinerant merchants in the area. But it is significant that local industrial development has been so slight that it has offered no economic alternatives to the villagers.

After 1949, when the movement of the remnants of the Chinese Nationalist forces from the mainland to Taiwan was halted, the regime instituted a new policy of government rule and reform. The Land Reform Acts between 1949 and 1953 were the most important aspect of this policy. The Land Reform, the increased availability of fertilizer, the infusion of great quantities of economic aid from the United States, and the great increase of supplementary income from villagers working in Taipei have all contributed to an apparent rise in the Taiwanese farmer's standard of living. But the basic problem of population pressure and land scarcity continues to worsen, affecting both economic and social aspects of village life.

LANGUAGE AS AN INDICATION OF HISTORICAL SEQUENCE

In 1958 there were four main languages spoken in Taiwan: Japanese, Taiwanese, Mandarin, and Hakka. The latter three are usually referred to as dialects of Chinese, but since they are not mutually intelligible, they are actually different languages, and will be referred